

and lawful authority to sell, convey, or encumber the same, and the premises are free and clear of all liens and encumbrances except as provided herein. The Mortgagor further covenants to warrant and forever defend all and singular the premises unto the Mortgagee, from and against the Mortgagor and all persons whomsoever lawfully claiming the same or any part thereof except as to Prior Mortgages.

2. Mortgagor will pay the Note at the time and in the manner provided therein.

3. Mortgagor shall comply with all terms, provisions, and conditions of the Prior Mortgages other than those applicable to the payment of principal and interest due under the Prior Mortgages other than provided herein. In the event Mortgagor fails to comply with each and every one of the terms, provisions, and conditions of the Prior Mortgages or is in default under the Prior Mortgages, other than in respect of payment of principal and interest due after the date hereof, such failure to comply shall constitute a default under this Mortgage and shall entitle Mortgagee, at Mortgagee's sole option, to exercise any and all of its rights and remedies in the event of a default under this Mortgage.

4. Mortgagor shall not enter into any agreement with the holders of the Prior Mortgages modifying or amending any of the provisions thereof without the written consent of Mortgagee.

5. Mortgagor shall promptly send to Mortgagee copies of any notice, including but not limited to any notice of default, received by Mortgagor from the holders of the Prior Mortgages.

6. Mortgagor shall notify the Mortgagee promptly of the occurrence of any of the following:

(a) a fire or other casualty causing damage to the mortgaged property;

(b) receipt of notice of condemnation of the mortgaged property;

(c) receipt of notice from any governmental authority relating to the structure, use or occupancy of the mortgaged property;

(d) substantial change in the occupancy of the mortgaged property;